United Nations E/2006/L.36

Economic and Social Council

Distr.: Limited
26 July 2006

Original: English

Substantive session of 2006
Geneva, 3-28 July 2006
Agenda item 13 (h)
Economic and environmental questions: international cooperation in tax matters

Draft resolution submitted by the Vice-President of the Council, Dalius Čekuolis (Lithuania), on the basis of informal consultations

Committee of Experts on International Cooperation in Tax Matters

The Economic and Social Council,

Recalling its resolution 2004/69 of 11 November 2004, in which the Council decided that the Ad Hoc Group of Experts on International Cooperation in Tax Matters should be renamed the Committee of Experts on International Cooperation in Tax Matters,

Recognizing the call made in the Monterrey Consensus of the International Conference on Financing for Development[1] for the strengthening of international tax cooperation through enhanced dialogue among national tax authorities and greater coordination of the work of the concerned multilateral bodies and relevant regional organizations, giving special attention to the needs of developing countries and countries with economies in transition,[2]

Taking note of the report of the Secretary-General on the implementation of and follow-up to commitments and agreements made at the International Conference on Financing and Development[3] and the recommendations contained therein,

Recognizing the need for an inclusive, participatory and broad-based dialogue on international cooperation in tax matters,

Noting the activities developing within the concerned multilateral bodies and relevant regional organizations,

---

[1] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

[2] Ibid., para. 64.

[3] A/58/216.

06-44556 (E) 270706

1. *Takes note with appreciation* of the report of the Committee of Experts on International Cooperation in Tax Matters on its first session;[4]

2. *Recognizes* that the Committee agreed to create, as necessary, ad hoc subcommittees composed of experts and observers who would work throughout the year according to the Committee's rules of procedure to prepare and determine the supporting documentation for the agenda items, including requests for papers by independent experts, for consideration at its regular session;[5]

3. *Notes* that four subcommittees on substantial matters, namely, treaty abuses, mutual assistance in collecting tax debts, definition of permanent establishment, and exchange of information, and two working groups, on international tax arbitration and the Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries, were created at the first session;

4. *Recognizes* that in order to deal with issues relating to the agenda on a continuous basis, subcommittees should use electronic communications where possible, but that the efficient operation of these subcommittees may in future require some face-to-face meetings;

5. *Invites* the Committee to continue to organize training workshops for developing countries and countries with economies in transition as part of the work required to carry out its mandate which includes making recommendations on capacity-building and providing technical assistance;

6. *Requests* the Secretary-General to establish a trust fund to supplement regular budget resources, which would receive voluntary contributions from Member States and other institutions interested in providing financing for the Committee's activities in supporting international cooperation in tax matters, including support for the participation of experts from developing countries;

7. *Decides* that the second session of the Committee shall be convened in Geneva from 30 October to 3 November 2006;

8. *Approves* the provisional agenda for the second session of the Committee, as contained in paragraph 122 of its report on its first session.

---

[4] *Official Records of the Economic and Social Council, 2005, Supplement No. 25* (E/2005/45).

[5] Ibid., para. 15.